

## Message Text

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20

ORIGIN AID-59

INFO OCT-01 AF-10 ISO-00 FS-01 AGR-20 PC-10 SCI-06 USIA-15

IO-14 INR-10 DODE-00 INT-08 COME-00 SWF-02 RSC-01

/157 R

DRAFTED BY AFR/CWR:NOLNICK

APPROVED BY C/FFP:AJMAIR

FFP:DSHAUGHNESSY (DRAFT)

AFR/CWR:FJSPENCER

AFR/CWR/SDE:JRELLIS (SUBS)

FFP:PRUSSELL (DRAFT)

FFP:EFOX (DRAFT)

SER/FM/FSD:JELAROCCA (SUBS)

PHA/FDRC:RMC CLURE (INFO)

AG/FAS:JKEIFFER(DRAFT)

----- 004970

R 032024Z JUN 74

FM SECSTATE WASHDC

TO AMEMBASSY DAKAR

AMEMBASSY NIAMEY

INFO AMEMBASSY BAMAKO

AMEMBASSY NOUAKCHOTT

AMEMBASSY OUAGADOUGOU

AMEMBASSY NDJAMENA

AMEMBASSY NAIROBI

AMEMBASSY ABIDJAN

AMEMBASSY LAGOS

AMEMBASSY YAOUNDE

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AFDROUGHT

E.O. 11652: N/A

SUBJECT: SAHEL DROUGHT - MANAGEMENT TITLE II FOOD  
ASSISTANCE

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NAIROBI FOR AREA AG, ABIDJAN FOR REDSO

1. THIS CABLE PROVIDES CERTAIN REVISED GUIDANCE TO ADOS AND RFFPOS ON SAHEL FOOD PROGRAMS FOLLOWING RECENT MANAGEMENT REVIEW BY SHAUGHNESSY AND OLNICK.

2. FOOD ACCOUNTABILITY: THIS RELATES TO ACCOUNTABILITY PROCEDURES FOR TITLE II COMMODITIES TO POINT WHERE FOOD IS TURNED OVER TO RECIPIENT GOVERNMENT CONTROL. COPIES OF THE OCEAN BILL OF LADING, THE OUT-TURN REPORT (INCLUDING AN INDEPENDENT SURVEY CERTIFICATION), THE QUOTE NOTICE TO PROCEED UNQUOTE, THE IN-LAND WAYBILL (WHERE APPLICABLE), AND RECEIVING GOVERNMENT'S RECEIPT FOR COMMODITIES TURNED OVER SHOULD BE COMPILED IN ONE FILE AND THE RELEVANT DATA POSTED TO A SPREAD SHEET. THUS TRAIL OF COMMODITIES DURING THIS PHASE CAN BE ADEQUATELY FOLLOWED AND A BASIS ESTABLISHED FOR FURTHER INVESTIGATION AND APPROPRIATE ACTION IN EVENT OF DISCREPANCIES. ACCUMULATION THIS DATA AIDS ALSO IN VERIFYING VALIDITY OF FORWARDING AGENTS' INVOICES FOR SERVICES RENDERED. THIS SYSTEM ALREADY FOLLOWED BY ADO/NIAMEY FOR NIGER AND UPPER VOLTA PROGRAMS, AND AID/W

UNDERSTANDS RFFPO/NIAMEY ARRANGING SIMILAR SYSTEM FOR CHAD. UNDERSTAND ADO/DAKAR ALSO ESTABLISHING SIMILAR SYSTEM, WITH TDY ASSISTANCE FROM ADO/NIAMEY.

3. REPORTING: THE REQUIREMENT THAT SAHEL GOVERNMENTS SUBMIT PERIODIC COMMODITY STATUS REPORTS (CSR) AND RECIPIENT STATUS REPORTS (RSR) FOR TITLE II EMERGENCY AND GRAIN STABILIZATION FOODS IS MODIFIED AS FOLLOWS: THE METHOD OF OBTAINING REPORTING INFORMATION FROM RECIPIENT GOVERNMENTS ON IN-COUNTRY STOCKS AND DISTRIBUTION OF U.S. FOODS IS LEFT TO DISCRETION OF ADOS, TAKING INTO ACCOUNT NEED AND LOCAL CIRCUMSTANCES. REPORTING REQUESTED SHOULD MEET THE TESTS OF UTILITY AND FEASIBILITY. SINCE RECIPIENT GOVERNMENT REPORTING REPRESENTS ONLY ONE MONITORING TOOL AVAILABLE TO RFFPOS, AND IN VIEW OF DIFFICULTIES TO DATE IN OBTAINING TIMELY, USEFUL AND ACCURATE REPORTS, INCREASED RELIANCE WILL HAVE TO BE PLACED ON FIELD OBSERVATIONS AND EVALUATIONS - APPROPRIATELY DOCUMENTED - AS LIMITED OFFICIAL USE

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THE PRIMARY TOOL FOR MONITORING FOOD PROGRAMS. IT IS ANTICIPATED ALSO THAT THE LIMITED REPORTING DATA PRESENTLY OBTAINABLE, SUPPLEMENTED BY INFORMATION GATHERED ON FIELD TRIPS AND FROM OTHER SOURCES, WILL ENABLE THE RFFPOS TO PROVIDE AID/W QUARTERLY WITH RELATIVELY SIMPLE REPORTING ON DISTRIBUTION OF U S. FOOD. THIS QUARTERLY REPORTING WILL INCLUDE, BY RECIPIENT COUNTRY, (A) QUANTITY OF COMMODITIES RECEIVED (LANDED), (B) QUANTITIES RELEASED

FOR SALES, (C) QUANTITIES RELEASED FOR GRANTS, AND (D) BALANCE ON HAND AT END OF REPORTING PERIOD. IN ADDITION, ACCEPTABLE DATA ON NUMBER RECIPIENTS BENEFITTING FROM AID FOOD DONATIONS CAN BE CALCULATED BY UTILIZING SUCH UNIT DATA AS RATION LEVELS.

4. CLAIMS FOR IN-COUNTRY LOSSES/DAMAGES: WHILE RECOGNIZING THE EMERGENCY AND HUMANITARIAN NATURE OF THE PROGRAM, THE DOMESTIC AND INTERNATIONAL POLITICAL OVER-TONES REQUIRING PROMPT AND ENERGETIC ASSISTANCE MEASURES, THE EXTREMELY DIFFICULT CONDITIONS UNDER WHICH THE PROGRAM IS OPERATED, LIMITATIONS ON ADMINISTRATIVE CAPABILITIES OF COOPERATING SPONSORS, AND THEIR RESTRICTED FINANCIAL RESOURCES, WE STILL NEED TO MAINTAIN THE PRINCIPLE OF ACCOUNTABILITY FOR LOSSES/DAMAGES, INCLUDING THOSE OF A ROUTINE NATURE WHICH MAY ARISE DURING THE IN-COUNTRY DISTRIBUTION PHASE. HOWEVER, M.O. 1571.4 ON CLAIMS FOR IN-LAND LOSS/DAMAGE PROVIDES THAT IN ASSERTING A CLAIM AGAINST A COOPERATIVE SPONSOR, CONSIDERATION BE GIVEN TO THE PROPRIETY OF THE CLAIM AND TO VARIOUS EXTENUATING FACTORS SUCH AS THOSE ENUMERATED ABOVE. GIVEN THE REALITIES OF THIS PROBLEM AS OUTLINED, AID/W BELIEVES THAT FURTHER PURSUING RECIPIENT GOVERNMENTS TO

SYSTEMATICALLY RENDER IN-COUNTRY LOSS/DAMAGE REPORTS SHOULD BE GIVEN APPROPRIATE PRIORITY AMONG THE MANY URGENT PROBLEMS IN MANAGING THE SAHEL FOOD PROGRAM. WE PLAN TO GIVE THIS MATTER OUR CONTINUING ATTENTION AND WILL ADVISE FURTHER, AS APPROPRIATE. APART FROM THE CLAIMS ASPECT, RFFPOS ARE INTERESTED, FROM AN OPERATIONAL STANDPOINT, IN ASCERTAINING SIGNIFICANT IN-COUNTRY LOSSES/DAMAGES AND IN CATALYSING CORRECTIVE MEASURES. HERE AGAIN, HOWEVER, INCREASED RELIANCE WILL HAVE TO BE PLACED LIMITED OFFICIAL USE

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ON FIELD OBSERVATIONS AND INSPECTIONS.

5. LOCAL CURRENCY PROCEEDS GENERATED FROM AUTHORIZED SALES: AID/W REALIZES THAT IT IS DIFFICULT TO EXERCISE A PRECISE CONTROL OVER THE ACCURACY AND COMPLETENESS OF DEPOSITS MADE, WHEN THE UNDERLYING AGREEMENT (IN THIS CASE THE TA) PROVIDES FOR DEPOSITS TO BE MADE ON A QUOTE PROCEEDS UNQUOTE BASIS. AID/W WILL STUDY THE FEASIBILITY OF HAVING FUTURE TAS PROVIDE FOR DEPOSITS ON THE BASIS OF DEPOSIT NOTIFICATIONS TO BE ISSUED BY AID TO RECIPIENT GOVERNMENTS. THIS PROBABLY WOULD BE EASIER TO APPLY TO TAS, WHERE THE TONNAGE AND VALUE OF COMMODITIES AVAILABLE FOR SALE CAN BE ESTIMATED IN ADVANCE. THIS PROCEDURE, IF ADOPTED, WOULD PROVIDE AUTOMATIC ASSURANCE TO AID ON COMPLETENESS AND CORRECTNESS OF DEPOSITS.

IN THE MEANTIME, ADOS SHOULD CONTINUE EFFORTS TO OBTAIN APPROPRIATE REPORTS FROM THE RECIPIENT GOVERNMENTS PROVIDING INFORMATION ON DEPOSITS MADE, AND SHOULD VERIFY FOR REASONABLENESS THE AMOUNTS REPORTED, BY REFERENCE TO AVAILABLE DATA ON ESTIMATED TONNAGES SOLD AND RELATED SELLING PRICES.

6. LOCAL CURRENCY USES: LOCAL CURRENCY USES ARE GOVERNED BY THE TERMS OF THE RELEVANT TAS. RDOS WILL CONTINUE EFFORTS TO OBTAIN REPORTS FROM RECIPIENT GOVERNMENTS SETTING FORTH THE USES TO WHICH THE LOCAL CURRENCY PROCEEDS WERE APPLIED. THE FIELD MONITORING FUNCTION PROVIDES A MEANS FOR ESTABLISHING A REASONABLE CONFIRMATION OF THE REPORTED CHANNELING OF THESE FUNDS.

7. MONITORING EMPHASIS: MONITORING IN-COUNTRY DISTRIBUTION OF U.S. DONATED FOOD INVOLVES MORE THAN PERFORMING END-USE CHECKS, A TERM OF LIMITED CONNOTATION. FOOD

PROGRAM MONITORING SHOULD COVER THE ENTIRE GAMUT OF ACTIVITIES FROM THE REQUIREMENTS DETERMINATION PHASE TO ACTUAL DISTRIBUTION. IN SHORT, THE RFFPO IS THE QUOTE PROJECT MANAGER UNQUOTE FOR THE TITLE II PROGRAM IN HIS COUNTRIES. THIS INCLUDES REPORTING ANTICIPATED AND ACTUAL PROBLEMS AND UNDERTAKING OR CATALYZING REQUIRED ACTIONS. LIMITED OFFICIAL USE

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THE MONITORING FUNCTION SHOULD EMPHASIZE SUCH ACTIVITIES AS REVIEWING AND EVALUATING RECIPIENT GOVERNMENT CAPABILITIES TO DO THE JOB, THE SYSTEM USED IN PLANNING FOR FOOD DISTRIBUTION AND ITS IMPLEMENTATION, THE SYSTEM GOVERNING AUTHORIZED SALES OF AID COMMODITIES, THE HANDLING OF THE RESULTANT LOCAL CURRENCY PROCEEDS, AND ANTICIPATING AND MONITORING PROBLEMS RELATING TO ARRIVALS, STORAGE, TRANSPORTATION, ETC. THE PERFORMANCE OF SO-CALLED END-USE CHECKS SHOULD BE PRIMARILY DESIGNED AND USED AS ONE TECHNIQUE IN SELECTIVE TESTING AND EVALUATION OF IN-COUNTRY FOOD DISTRIBUTION SYSTEMS.

8. REALIZE EFFECTIVE DISCHARGE FOREGOING RESPONSIBILITIES REQUIRES STRENGTHENED RFFP OPERATIONS. EFFORTS ARE CONTINUING TO PROVIDE ADDITIONAL QUALIFIED STAFF - BOTH TDY AND PERMANENT.

9. COPIES OF MANAGEMENT TEAM'S REPORT HAVE BEEN FORWARDED TO ADDRESSEE POSTS. DECONTROL 6/30/75. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
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**TAGS:** EAID, SG  
**To:** DAKAR NIAMEY  
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